

January 17, 2018

### MEMORANDUM

To: Human Services, Equitable Development and Renters Rights Committee

From: Ketil Freeman, Council Central Staff
Subject: Displacement of Mobile Home Parks

On January 18, the Human Services, Equitable Development and Renter Rights Committee (Committee) will hear testimony from residents of the Halcyon manufactured home park about concerns related to their potential displacement from the park because of planned new development.

This memorandum (1) summarizes background information on the history of City efforts to address displacement of manufactured home parks and their residents, (2) describes some existing regulations applicable to redevelopment of manufactured home parks and relocation of residents, and (3) sets out preliminary options the Committee could consider to address potential displacement.

## **Background**

The Halcyon manufactured home park is located in northwest Seattle within the Bitter-Lake Haller-Lake Residential Urban Village in a commercial zone. A developer has approached the City with preliminary plans to redevelop the Halcyon with close to 200 town houses.

Manufactured homes are a source of market rate affordable housing and issues related to the displacement and redevelopment of manufactured home parks residents are not new to Seattle. From 1988 to 1990, the City adopted four consecutive moratoria on the redevelopment of manufactured home park sites.<sup>1</sup> The moratoria were put in place to allow the City time to develop permanent regulations to address issues related to redevelopment and displacement. In 1990, the City amended Seattle Municipal Code Chapter 22.904 to strengthen regulations related to manufactured home park relocation.<sup>2</sup> As recently as 2017, the Council appropriated \$190,000 of General Fund to the Seattle Department of Construction and Inspection's (SDCI) budget to supplement assistance provided through the State of Washington's Mobile Home Relocation Assistance Program to low income residents of the University Trailer Park.

Regionally, in August 2018 Portland, Oregon amended its Comprehensive Plan and development regulations to make it more difficult for manufactured home parks to be redeveloped.<sup>3</sup> Among other things the amendments (1) established a "manufactured dwelling park" residential zone; (2) established development incentives, including density incentives, to encourage existing manufactured home parks to maintain their land use; and (3) established procedural standards whereby the City could consider allowing conversion of existing manufactured home parks to another use.

<sup>&</sup>lt;sup>1</sup> Ordinance 114275 (1988), Ordinance 114606 (1989), Ordinance 114804 (1989), and Ordinance 115008 (1990)

<sup>&</sup>lt;sup>2</sup> Ordinance 115183.

<sup>&</sup>lt;sup>3</sup> Manufactured Dwelling Parks, Recommended Draft. August 13, 2018. Portland Bureau of Planning and sustainability.

### **Notice Regulations**

Washington's landlord and tenant statute establishes minimum standards for notification of tenants prior to sale of a manufactured home park property. The Seattle Municipal Code provides further regulations related to notice and relocation. Prior to issuing a 12-month eviction notice a park owner must obtain approval of a relocation plan by SDCI.<sup>4</sup> Minimum requirements for the plan are set out in SMC Section 22.904.420 and establish a duty by the owner to assist each manufactured home park tenant with relocation.

# **Option to Address Displacement**

Options for the Committee to consider related to the potential redevelopment of the Halcyon site depend on Councilmember objectives. If the Council's objective is to preserve the opportunity for affordable housing options in manufactured home parks, including the Halcyon site, the Council could establish a temporary moratorium on redevelopment of the remaining manufactured home park sites to study what development regulations and Comprehensive Plan policies would help achieve that objective. These development regulations could include new Comprehensive Plan policies and new zone or other development regulations similar to those recently approved by the City of Portland.

# **Relocation Assistance Regulations**

Washington's landlord and tenant statute also establishes a program for manufactured home relocation assistance. Under that program low-income residents who are subject to relocation may be eligible for up to \$7500 in relocation assistance. Assistance is reimbursement-based and available to homeowners who live in their home at the time a closure notice is issued and meet income guidelines (less than 80% of the Area Median Income (AMI) for the county the home is located in). Owners of RVs and travel trailers are not eligible for assistance. Relocation expense are limited to actual expenses incurred moving a manufactured home and can include reimbursement for demolition and a down payment on a new manufactured home.

#### **Option to Address Relocation Assistance**

If the Council's objective, instead of or in addition to the above, is to help mitigate the cost of relocation for low-income Halcyon residents, the Council could make appropriations to SDCI to fund relocation activities not supported by state relocation assistance.

cc: Kirstan Arestad, Central Staff Director

<sup>&</sup>lt;sup>4</sup> Seattle Municipal Code Section 22.904.410.

<sup>&</sup>lt;sup>5</sup> Revised Code of Washington Chapter 59.20 and 59.21.

<sup>&</sup>lt;sup>6</sup> Washington Administrative Code 365-212-060.